

<b>Maricopa County Policies and Procedures</b>	<b>Subject:</b> Funding and Payment of Worker's Compensation Claims	<b>Number:</b> A2223 <b>Issue Date:</b> 11/91
<b>Approved:</b> Roy Pederson	<b>Initiating Department:</b> Risk Management	

**A. Purpose**

To provide for a consistent County-wide policy regarding the funding and payment of claim settlements and Workers' Compensation.

**B. Policy**

The County is self-insured through a Self-Insured Trust Fund established in 1981 by the Board of Supervisors for the funding and payment of claim expenses. The fund is administered by the Risk Management Department, and is overseen by a Board of Trustees appointed by the Board of Supervisors.

Each elected official and department director is responsible for the proper safeguarding of County property under their care and custody, including subsequent assignment of equipment, vehicles, machinery and real property used by County employees assigned to them. (see A2206)

Workers' Compensation or industrial injury claims, and other claims against the County will be administered by Risk Management. Elected officials and department directors should develop internal reporting procedures to insure timely reporting of claims to a designated person in the department; A report should then be submitted to Risk Management. On industrial injuries, an Employer's Report of Injury shall be submitted to Risk Management no later than ten (10) calendar days following the incident. All other claims shall be submitted to Risk Management as soon as practical. (see A2218)

Any incident involving the public shall be recorded, and a copy of this record furnished to Risk Management for review and initiation of any subsequent action.

**C. Procedures**

Effective July 1, 1981, the Board of Supervisors established a Self-Insured Trust Fund for the funding and payment of claims expenses.

1. Funding and allocation of losses shall be anticipated and addressed in a systematic manner utilizing the following methods:
  - a. Use of historical loss data and trends;
  - b. Actuarial studies projecting future losses;
  - c. Cost of losses by department in order to allocate funding back to the departments generating the losses;
  - d. Provisions for spreading the risk of losses by the Trust Fund absorbing large single losses to minimize large fluctuations in departmental budgets.
2. Payment of losses from the Trust Fund in general shall not include the following:
  - a. Losses to personal property of County employees unless specifically authorized by the Trustees of the Self-Insured Trust Fund (see A2205);

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- b. Damages/loss to County property under \$500 in value or repair cost. Costs under \$500 per claim shall be the responsibility of the department suffering the loss;
- c. Losses normally excluded under policy provisions of comprehensive general, auto, property, and professional liability insurance policies unless authorized by the Trustees of the Self-Insured Trust Fund.